

GOVERNMENT SPENDING ACCOUNTABILITY ACT OF 2012

SEPTEMBER 11, 2012.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. ISSA, from the Committee on Oversight and Government Reform, submitted the following

R E P O R T

[To accompany H.R. 4631]

[Including cost estimate of the Congressional Budget Office]

The Committee on Oversight and Government Reform, to whom was referred the bill (H.R. 4631) to require quarterly reports on agency conferences and meetings, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

CONTENTS

	Page
Committee Statement and Views .....	3
Section-by-Section .....	5
Explanation of Amendments .....	6
Committee Consideration .....	6
Application of Law to the Legislative Branch .....	6
Statement of Oversight Findings and Recommendations of the Committee .....	6
Statement of General Performance Goals and Objectives .....	7
Federal Advisory Committee Act .....	7
Unfunded Mandate Statement .....	7
Earmark Identification .....	7
Committee Estimate .....	7
Budget Authority and Congressional Budget Office Cost Estimate .....	7
Changes in Existing Law Made by the Bill as Reported .....	8

The amendment is as follows:

Strike all after the enacting clause and insert the following:

**SECTION 1. SHORT TITLE.**

This Act may be cited as the “Government Spending Accountability Act of 2012” or the “GSA Act of 2012”.

**SEC. 2. LIMITS AND TRANSPARENCY FOR TRAVEL AND CONFERENCE SPENDING.**

(a) AMENDMENT.—Chapter 57 of title 5, United States Code, is amended by inserting after section 5711 the following:

**“§ 5712. Limits and transparency for travel and conference spending**

“(a) DEFINITIONS.—In this section:

“(1) CONFERENCE.—The term ‘conference’ means a meeting, retreat, seminar, symposium, or event to which an employee travels 25 miles or more to attend, that—

- “(A) is held for consultation, education, discussion, or training; and
- “(B) is not held entirely at a Government facility.

“(2) INTERNATIONAL CONFERENCE.—The term ‘international conference’ means a conference occurring outside the United States attended by representatives of—

- “(A) the Government of the United States; and
- “(B) any foreign government, international organization, or foreign non-governmental organization.

“(b) INTERNATIONAL CONFERENCE RULE.—An agency may not pay the travel expenses for more than 50 employees of that agency who are stationed in the United States, for any international conference, unless the Secretary of State determines that attendance for such employees is in the national interest.

“(c) REPORT ON TRAVEL EXPENSES REQUIRED.—At the beginning of each quarter of each fiscal year, each agency shall post on the public website of that agency a report on each conference for which the agency paid travel expenses during the preceding 3 months that includes—

“(1) the itemized expenses paid by the agency, including travel expenses, and any agency expenditures to otherwise support the conference;

“(2) the primary sponsor of the conference;

“(3) the location of the conference;

“(4) in the case of a conference for which that agency was the primary sponsor, a statement that—

“(A) describes the cost to the agency of selecting the specific conference venue;

“(B) describes why the location was selected, including a justification for such selection;

“(C) demonstrates the cost efficiency of the location;

“(D) provides a cost benefit analysis of holding a conference rather than conducting a teleconference; and

“(E) describes any financial support or other assistance from a private entity used to pay or defray the costs of the conference, and for each case where such support or assistance was used, the head of the agency shall include a certification that there is no conflict of interest resulting from such support or assistance;

“(5) the date of the conference;

“(6) a brief explanation of how the participation of employees from such agency at the conference advanced the mission of the agency;

“(7) the title of any employee, or any individual who is not a Federal employee, whose travel expenses or other conference expenses were paid by the agency; and

“(8) the total number of individuals whose travel expenses or other conference expenses were paid by the agency.

“(d) FORMAT AND PUBLICATION OF REPORT.—Each report posted on the public website under subsection (c) shall—

“(1) be in a searchable electronic format; and

“(2) remain on that website for at least 5 years after the date of posting.”.

(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 57 of title 5, United States Code, is amended by inserting after the item relating to section 5711 the following:

“5712. Limits and transparency for travel and conference spending.”.

(c) ANNUAL TRAVEL EXPENSE LIMITS.—

(1) IN GENERAL.—In the case of each of fiscal years 2013 through 2017, an agency (as defined under section 5701 of title 5, United States Code) may not make, or obligate to make, expenditures for travel expenses, in an aggregate amount greater than 70 percent of the aggregate amount of such expenses for fiscal year 2010.

(2) IDENTIFICATION OF TRAVEL EXPENSES.—

(A) RESPONSIBILITIES.—Not later than December 31, 2012, and after consultation with the Administrator of General Services and the Director of the Administrative Office of the United States Courts, the Director of the Office of Management and Budget shall establish guidelines for the determination of what expenses constitute travel expenses for purposes of this subsection.

The guidelines shall identify specific expenses, and classes of expenses, that are to be treated as travel expenses.

(B) EXEMPTION FOR MILITARY TRAVEL.—The guidelines required under subparagraph (A) shall exclude military travel expenses in determining what expenses constitute travel expenses. Military travel expenses shall include travel expenses involving military combat, the training or deployment of uniformed military personnel, and such other travel expenses as determined by the Director of the Office of Management and Budget, in consultation with the Administrator of General Services and the Director of the Administrative Office of the United States Courts.

(d) CONFERENCE TRANSPARENCY AND SPENDING LIMITS.—

(1) DEFINITIONS.—In this subsection:

(A) AGENCY.—The term “agency” has the meaning given that term under section 5701 of title 5, United States Code.

(B) CONFERENCE.—The term “conference” has the meaning given that term under section 5712(a) of that title 5, United States Code (as added by subsection (a)).

(2) PUBLIC AVAILABILITY OF CONFERENCE MATERIALS.—Each agency shall post on the public website of that agency detailed information on any presentation made by any employee of that agency at a conference (except to the extent the head of an agency excludes such information for reasons of national security) including—

(A) the prepared text of any verbal presentation made; and

(B) any visual, digital, video, or audio materials presented, including photographs, slides, and audio-visual recordings.

(3) LIMITS ON AMOUNT EXPENDED ON A CONFERENCE.—

(A) IN GENERAL.—An agency may not expend more than \$500,000 to support a single conference.

(B) RULE OF CONSTRUCTION.—Nothing in this paragraph shall be construed to preclude an agency from receiving financial support or other assistance from a private entity to pay or defray the costs of a conference the total cost of which exceeds \$500,000.

## COMMITTEE STATEMENT AND VIEWS

### PURPOSE AND SUMMARY

Spending on civilian (non-military) travel by the Federal Government increased 88-percent from 2001 to 2011, despite dramatic improvements in teleconferencing technology. Relatively little is known concerning the necessity and cost-effectiveness of the billions of dollars spent annually in this area.

As amended during full committee consideration by an Amendment in the Nature of a Substitute (ANS), H.R. 4631 is intended to reduce non-mission critical travel spending by limiting annual travel spending by each federal agency, and requiring greater transparency of travel and conference-related expenditures.

The ANS requires each federal agency to limit non-military travel spending for each of fiscal years 2013 to 2017 to 70-percent of the amount it spent on such travel in FY 2010. And it prohibits an agency from spending more than one-half million dollars on any one conference. An agency may not pay the travel expenses of more than 50 of its employees to attend an international conference, unless the Secretary of State determines that doing so is in the national interest.

With respect to transparency, the ANS requires that each agency post quarterly on its website a report on each conference for which the agency paid travel expenses during the previous quarter. The reports are to contain detailed information regarding the conference expenditures, and—in the case of a conference primarily sponsored by the agency—an explanation of why the locale was chosen, how the conference furthered the agency’s mission, and a

cost benefit analysis of why the agency held a conference instead of a teleconference.

The section-by-section portion of this report more fully summarizes the contents of the ANS.

#### BACKGROUND AND NEED FOR LEGISLATION

On April 2, 2012, Administrator of General Services Martha Johnson fired two top deputies at the General Services Administration (GSA) and then immediately resigned. The reason given for the dismissals and the resignation was the impending release of a report by the GSA Office of Inspector General on the On April 16, 2012, the House Oversight and Government Reform Committee held a hearing titled “Addressing the GSA’s Culture of Wasteful Spending”. The hearing explored mismanagement and abuse of taxpayer dollars at the Western Regions 2010 Conference held by the GSA Public Building Service in October 2010.

GSA has a major policy-making role in regulating Government-wide travel. GSA responsibilities include the setting of per diem rates for travel with the United States, the promulgation of the Federal Travel Regulation, and the management of the federal vehicle fleet.

During the course of its federal travel oversight activities, the House Oversight and Government Reform Committee found that federal agencies do not effectively track travel and conference spending, and make little or no effort to make the information they do track readily available to the American people. Despite the billions of dollars spent each year on federal civilian travel, it is not clear how much of this money is well spent, and how much is wasted.

According to the White House Office of Management and Budget, non-military travel spending grew 88-percent from fiscal year 2001 to fiscal year 2011. The December 2010 report of The National Commission on Fiscal Responsibility and Reform (“Simpson-Bowles Commission”) recommends cutting federal travel spending. It states, “Despite advances in technology, federal travel costs have ballooned in recent years, growing 56-percent between 2001 and 2006 alone. . . . We propose prohibiting each agency from spending more than 80 percent of its FY 2010 travel budget and requiring them to do more through teleconferencing and telecommuting.”

#### LEGISLATIVE HISTORY

On April 25, 2012, the Senate adopted S. 1789, the 21st Century Postal Reform Act by a vote of 62–37. During floor consideration of S. 1789, the Senate adopted by voice vote an amendment offered by Senator Tom Coburn of Oklahoma that limited overall federal travel spending, curbed travel for international conferences, and set additional transparency measures for domestic and international conference spending. The amendment was incorporated as Title V of the bill, as adopted by the Senate.

Later the same day, the House of Representatives adopted by voice vote under suspension of the rules H.R. 2146, the Digital Accountability and Transparency Act (DATA Act), as amended. Section 308 of the amended version of DATA contains federal travel and conference spending language largely paralleling the language of the Coburn amendment to S. 1789. The DATA Act as passed by

the House also institutes new transparency requirements across the Government applicable to all federal spending data.

Also on April 25, 2012, Representative Joe Walsh of Illinois introduced H.R. 4631, the Government Spending Accountability Act of 2012, or GSA Act. The bill was referred to the House Oversight and Government Reform Committee. As introduced, the GSA Act required the head of each federal agency to submit to Congress, not less frequently than quarterly, a detailed, itemized report on any conference or meeting for which the agency must pay a fee and that: (1) is attended by 50 or more employees, or (2) has a total cost of \$100,000 or more. It exempts any conference or meeting: (1) for which an agency head determines complying with such reporting requirement would not be in the interest of national security, or (2) which an agency head determines is necessary because of an imminent threat to health or safety or other emergency.

#### SECTION-BY-SECTION

*Section 1. Short title.* The Act may be cited as “Government Spending Accountability Act of 2012” or “GSA Act of 2012.”

*Section 2. Limits and Transparency for Travel and Conference Spending.*

(a) A new section 5712 is added to Chapter 57 of title 5, United States Code. It is entitled, “Limits and transparency for travel and conference spending.”

Definitions—The terms “conference” and “international conference” are defined.

International Conference Rule—Agencies are prohibited from paying travel expenses for more than 50 U.S. stationed-employees to attend any international conference. A waiver can be granted by the Secretary of State.

Report on Travel Expenses Required—Each agency is required to post on a quarterly basis on its website a report on each conference for which it paid travel expenses during the preceding three months. Each conference report is required to include several required elements, to include itemized expenses paid by the agency, including travel expenses, and any agency expenditures to otherwise support the conference. For conferences for which the agency is the primary sponsor, the report is to include a statement that: describes the cost to the agency of selecting the specific conference venue; describes why the location was selected; demonstrates the cost efficiency of the location; provides a cost benefit analysis of holding a conference rather than a teleconference; and describes any financial support from a private entity used to defray the cost of the conference.

Format and Publication of Report—Each report is to be in a searchable electronic format and shall remain on the agency website for at least 5 years after the date of posting.

(b) The table of sections for chapter 57 of title 5, United States Code, is amended.

(c) Annual Travel Expense Limits—

Annual travel expenditures by each agency (as defined under section 5701 of title 5, United States Code) for each of fiscal years 2013 through 2017 are limited to 70 percent of the amount the agency spent on travel in fiscal year 2010.

Identification of Travel Expenses—The Office of Management and Budget, in consultation with the General Services Administration, and the Administrative Office of the United States Courts, is to establish guidelines no later than December 31, 2012, for determining what expenses constitute travel expenses. The guidelines are to establish specific expenses, and classes of expenses, to be treated as travel expenses. The guidelines are to exclude military travel expenses from the definition of travel expenses. Military expenses are to include travel expenses involving military combat, the training or deployment of uniformed military personnel, and other travel expenses as determined in the guidelines.

(d) Conference and Transparency Spending Limits—  
“Agency” and “conference” are defined.

Each agency is directed to post on its public website detailed information on any presentation made by any employee of the agency at a conference, except to the extent that the agency head excludes such information for reasons of national security.

Agencies are prohibited from spending more than \$500,000 to support a single conference.

#### EXPLANATION OF AMENDMENTS

At the June 27, 2012 Full Committee Business Meeting of the House Oversight and Government Reform Committee, Rep. Walsh offered an amendment in nature of a substitute to H.R. 4631 which, generally, incorporated provisions of H.R. 2146 and S. 1789. The amendment in nature of substitute offered by Rep. Walsh is described above.

#### COMMITTEE CONSIDERATION

On June 27, 2012, the Committee met in open session and ordered reported favorably the bill, H.R. 4631, as amended, by voice vote, a quorum being present.

#### APPLICATION OF LAW TO THE LEGISLATIVE BRANCH

Section 102(b)(3) of Public Law 104–1 requires a description of the application of this bill to the legislative branch where the bill relates to the terms and conditions of employment or access to public services and accommodations. This bill reduces non-mission critical travel spending by limiting annual travel spending by each federal agency, and requires greater transparency of travel and conference-related expenditures.

As such this bill does not relate to employment or access to public services and accommodations.

#### STATEMENT OF OVERSIGHT FINDINGS AND RECOMMENDATIONS OF THE COMMITTEE

In compliance with clause 3(c)(1) of rule XIII and clause (2)(b)(1) of rule X of the Rules of the House of Representatives, the Committee’s oversight findings and recommendations are reflected in the descriptive portions of this report.

## STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

In accordance with clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the Committee's performance goals and objectives are reflected in the descriptive portions of this report.

## FEDERAL ADVISORY COMMITTEE ACT

The Committee finds that the legislation does not establish or authorize the establishment of an advisory committee within the definition of 5 U.S.C. App., Section 5(b).

## UNFUNDED MANDATE STATEMENT

Section 423 of the Congressional Budget and Impoundment Control Act (as amended by Section 101(a)(2) of the Unfunded Mandate Reform Act, P.L. 104-4) requires a statement as to whether the provisions of the reported include unfunded mandates. In compliance with this requirement the Committee has received a letter from the Congressional Budget Office included herein.

## EARMARK IDENTIFICATION

H.R. 4631 does not include any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of rule XXI.

## COMMITTEE ESTIMATE

Clause 3(d)(2) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison by the Committee of the costs that would be incurred in carrying out H.R. 4631. However, clause 3(d)(3)(B) of that rule provides that this requirement does not apply when the Committee has included in its report a timely submitted cost estimate of the bill prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act.

## BUDGET AUTHORITY AND CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

With respect to the requirements of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974 and with respect to requirements of clause (3)(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for H.R. 4631 from the Director of Congressional Budget Office:

*H.R. 4631—GSA Act of 2012*

H.R. 4631 would require agencies to provide quarterly reports to the Congress about meetings or events involving travel expenses paid with federal funds. Over the 2013–2017 period, the bill would restrict agencies' authority to obligate funds for travel expenses (other than military travel) to 70 percent of the amount spent on travel costs in 2010. In addition, under the legislation, agencies would be prohibited from spending more than \$500,000 to support a single conference. Finally, H.R. 4631 would require agencies to

post any presentation materials provided at a conference sponsored by an agency or attended by federal employees on their Web sites so it would be available to the public.

CBO estimates that implementing H.R. 4631 would have no significant net impact on the budget over the 2013–2017 period. We expect that there would be some minor additional administrative costs for agencies to report on their travel expenses to the Congress and to post materials on Web sites. In 2010, civilian agencies spent about \$6.5 billion on travel expenses. By limiting the ability of agencies to obligate funds for travel costs over the 2013–2017 period to 70 percent of the amount spent in 2010, the legislation would likely shift spending on travel to other categories, such as telecommunications and computer technologies. CBO expects, however, that such a limitation on travel expenditures would not result in significantly less total spending by federal agencies. Any change in costs as a result of implementing H.R. 4631 would depend on the amounts provided in future appropriation acts.

The bill could affect direct spending by agencies not funded through annual appropriations; therefore, pay-as-you-go procedures apply. CBO estimates, however, that any net change in spending by those agencies would not be significant. Enacting H.R. 4631 would not affect revenues.

H.R. 4631 would impose intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA) by limiting the District of Columbia’s spending on travel to 70 percent of the amount expended in 2010, by prohibiting the District from paying for travel expenses of more than 50 employees to attend an international conference—unless approved by the Department of State, and by requiring the District to post information on its Web site about conferences that its employees attend. CBO estimates that the costs of the intergovernmental mandates would be small and would not exceed the threshold established in UMRA (\$73 million in 2012, adjusted annually for inflation). H.R. 4631 contains no private-sector mandates as defined in UMRA.

The CBO staff contacts for this estimate are Matthew Pickford (for federal costs) and Elizabeth Cove Delisle (for the impact on state and local governments). This estimate was approved by Peter H. Fontaine, Assistant Director for Budget Analysis.

#### CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (new matter is printed in italic and existing law in which no change is proposed is shown in roman):

### **TITLE 5, UNITED STATES CODE**

\* \* \* \* \*

### **PART III—EMPLOYEES**

\* \* \* \* \*

**SUBPART D—PAY AND ALLOWANCES**

\* \* \* \* \*

**CHAPTER 57—TRAVEL, TRANSPORTATION, AND  
SUBSISTENCE**

SUBCHAPTER I—TRAVEL AND SUBSISTENCE EXPENSES; MILEAGE  
ALLOWANCES

Sec.

5701. Definitions.

\* \* \* \* \*

5712. *Limits and transparency for travel and conference spending.*

\* \* \* \* \*

SUBCHAPTER I—TRAVEL AND SUBSISTENCE EXPENSES;  
MILEAGE ALLOWANCES

\* \* \* \* \*

**§5712. *Limits and transparency for travel and conference  
spending***

(a) *DEFINITIONS.—In this section:*

(1) *CONFERENCE.—The term “conference” means a meeting, retreat, seminar, symposium, or event to which an employee travels 25 miles or more to attend, that—*

*(A) is held for consultation, education, discussion, or training; and*

*(B) is not held entirely at a Government facility.*

(2) *INTERNATIONAL CONFERENCE.—The term “international conference” means a conference occurring outside the United States attended by representatives of—*

*(A) the Government of the United States; and*

*(B) any foreign government, international organization, or foreign nongovernmental organization.*

(b) *INTERNATIONAL CONFERENCE RULE.—An agency may not pay the travel expenses for more than 50 employees of that agency who are stationed in the United States, for any international conference, unless the Secretary of State determines that attendance for such employees is in the national interest.*

(c) *REPORT ON TRAVEL EXPENSES REQUIRED.—At the beginning of each quarter of each fiscal year, each agency shall post on the public website of that agency a report on each conference for which the agency paid travel expenses during the preceding 3 months that includes—*

*(1) the itemized expenses paid by the agency, including travel expenses, and any agency expenditures to otherwise support the conference;*

*(2) the primary sponsor of the conference;*

*(3) the location of the conference;*

*(4) in the case of a conference for which that agency was the primary sponsor, a statement that—*

*(A) describes the cost to the agency of selecting the specific conference venue;*

*(B) describes why the location was selected, including a justification for such selection;*

- (C) demonstrates the cost efficiency of the location;*
- (D) provides a cost benefit analysis of holding a conference rather than conducting a teleconference; and*
- (E) describes any financial support or other assistance from a private entity used to pay or defray the costs of the conference, and for each case where such support or assistance was used, the head of the agency shall include a certification that there is no conflict of interest resulting from such support or assistance;*
- (5) the date of the conference;*
- (6) a brief explanation of how the participation of employees from such agency at the conference advanced the mission of the agency;*
- (7) the title of any employee, or any individual who is not a Federal employee, whose travel expenses or other conference expenses were paid by the agency; and*
- (8) the total number of individuals whose travel expenses or other conference expenses were paid by the agency.*
- (d) FORMAT AND PUBLICATION OF REPORT.—Each report posted on the public website under subsection (c) shall—*
  - (1) be in a searchable electronic format; and*
  - (2) remain on that website for at least 5 years after the date of posting.*

\* \* \* \* \*

